

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)	
)	
INDIVIDUAL SURETY, LTD,)	No. D04-189
GLOBAL BONDING, LLC,)	
)	ORDER TO
Unauthorized Entities, and)	CEASE AND
)	DESIST
ROBERT JOE HANSON)	
)	
)	
)	

Pursuant to RCW 48.02.080, the Insurance Commissioner of the State of Washington **ORDERS** Individual Surety, LTD, Global Bonding, LLC, their officers, managers, directors, trustees, agents, and affiliates, and Robert Joe Hanson ("Respondents") to immediately cease and desist from soliciting, selling, issuing, or otherwise transacting insurance in the State of Washington in violation of the Washington Insurance Code.

THIS ORDER IS BASED ON THE FOLLOWING:

1. Since March 2, 2003, Respondents have sold and issued at least thirteen surety bonds to Washington businesses and other entities covering risks located in Washington, including bid bonds, surface mining reclamation bonds, and contract performance bonds.
2. The above-named Respondents are not authorized to act as insurers or transact surety insurance in the State of Washington and none of the Respondents is licensed as an agent, solicitor, broker, or surplus lines broker in this state.
3. Pursuant to RCW 48.11.080, surety insurance includes guaranteeing the performance of contracts, other than insurance policies, and guaranteeing and executing bonds, undertakings, and contracts of suretyship.
4. Respondents' sale and issuance of the above-described surety bonds constitutes the transaction of surety insurance in this state and violates RCW 48.05.030, certificate of authority required, RCW 48.17.060, license required, and RCW 48.15.020, solicitation by unauthorized insurer prohibited-personal liability.

5. By Cease and Desist Order in State Auditor's Case No. 2004-19, the State of Montana also has determined that Respondents Robert Joe Hanson and Individual Surety, LTD have been transacting insurance in violation of Montana law through the unlawful sale and issuance of surety bonds in Montana and has ordered said Respondents to cease and desist from transacting insurance in violation of Montana's insurance code. By Cease and Desist Order in Cause No. 03.757, the State of Nevada also has determined that Respondents Robert Joe Hanson and Global Bonding have been transacting insurance in violation of Nevada law through the unlawful sale and issuance of surety bonds in Nevada and has ordered said Respondents to cease and desist from transacting insurance in violation of Nevada's insurance code. Florida, Georgia, and Connecticut have also issued similarly based cease and desist orders against the Respondents.

This Order shall not prevent Respondents from fulfilling contractual commitments under surety bonds issued prior to the date of this Order.

Any violation of the terms of this Order by Respondents, their officers, directors, agents, or affiliates, will render the violator(s) subject to the full penalties authorized by RCW 48.02.080 and other applicable Code sections. Notice is hereby given that each violation of RCW 48.05.030, which prohibits the transaction of insurance affecting subjects located wholly or in part in the State of Washington unless authorized to do so by the Commissioner, constitutes a separate offense punishable by a fine of not less than ten dollars nor more than one thousand dollars or by imprisonment for not more than one year, or both fine and imprisonment, in addition to any other penalty or forfeiture provided in Title 48 RCW or otherwise by law, and that each violation of RCW 48.15.020, which prohibits an insurer that is not authorized by the Commissioner from soliciting insurance business in this state unless in compliance with chapter 48.15 RCW, constitutes a class B felony punishable under chapter 9A.20 RCW.

Respondents have the right to demand a hearing pursuant to chapters 48.04 and 34.05 RCW.

This Order shall remain in effect subject to the further order of the commissioner.

THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED at Tumwater, Washington, this 27th day of August, 2004.

MIKE KREIDLER
Insurance Commissioner

By: _____
Charles. D. Brown, Staff Attorney
Legal Affairs Division
Office of Insurance Commissioner
State of Washington